



City of Vacaville, Basic Vegetable Co. in foreground.

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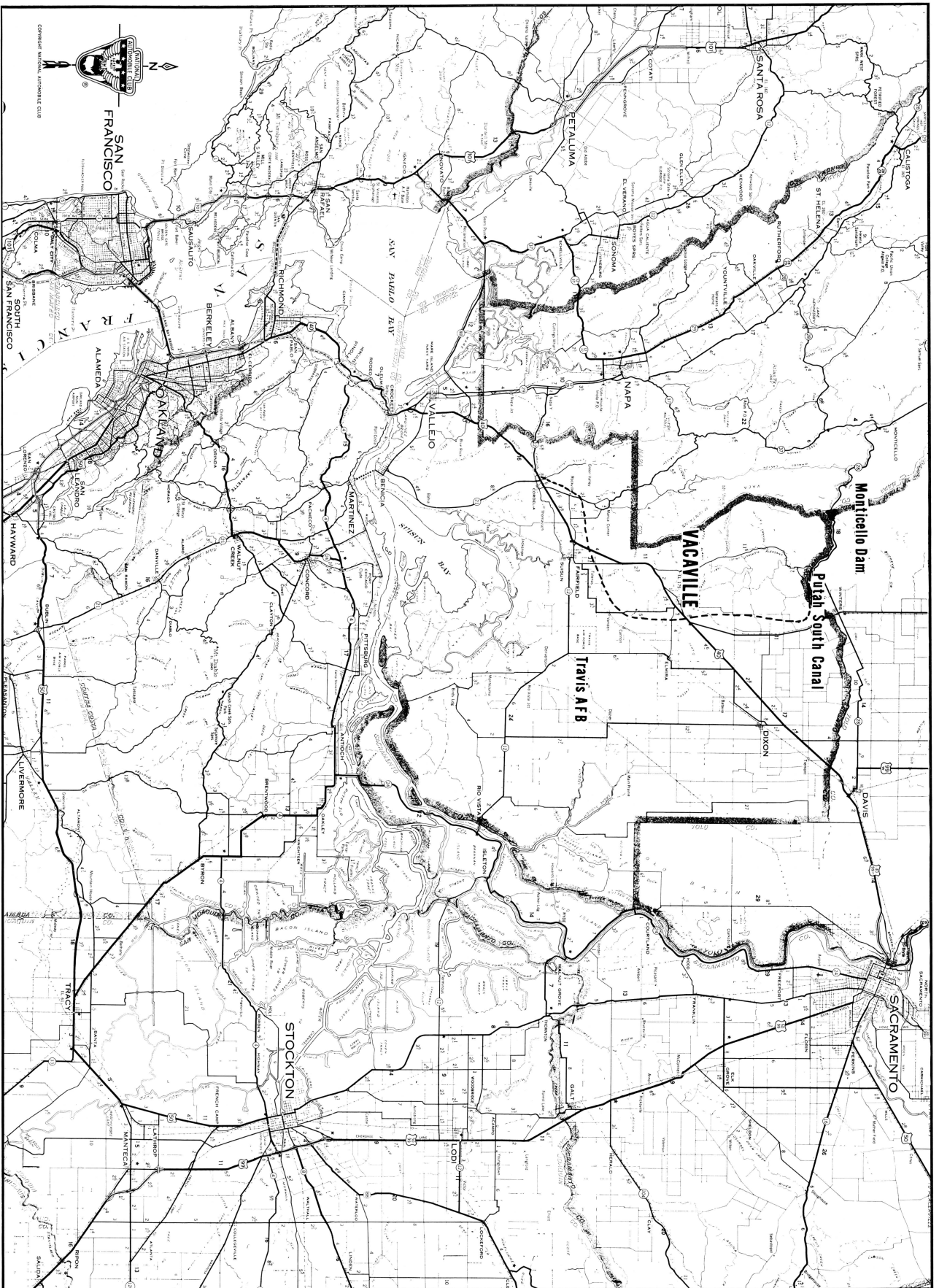
OFFICIAL STATEMENT
of the
CITY OF VACAVILLE

Solano County, California

\$1,950,000

City of Vacaville 1959 Water Revenue Bonds
Series A

Bids to be received by the City Council of the City of Vacaville on or before 11:00 A.M. (P.S.T.)
Tuesday, February 10, 1959, at the Council Chambers, City Hall, Kentucky and Merchant Streets,
Vacaville, California



Vacaville and Vicinity.

BASE MAP COURTESY OF NATIONAL AUTOMOBILE CLUB.

CITY OF VACAVILLE

Solano County, California

CITY COUNCIL

DR. ROY J. COBBLE, *Mayor*

ARNOLD W. CLARK

DR. RICHARD GRIFFIN

ETHEAL C. GILLEY

JOHN MORIEL

ROBERT H. MEYER
City Administrator

OLIVE M. DOBBINS
City Clerk

CATHY B. MARSHALL
City Treasurer

WALTER W. WEIR, JR.
Attorney at Law
City Attorney

ROBERT CHRISTENSEN
Public Accountant
Auditor

JOHN P. PIERCY
Director of Public Works

SPECIAL SERVICES IN CONNECTION WITH THE WATER REVENUE BONDS

ORRICK, DAHLQUIST, HERRINGTON & SUTCLIFFE, San Francisco
Bond Counsel

STONE & YOUNGBERG, San Francisco
Financing Consultants

BANK OF AMERICA N. T. & S. A., San Francisco
Fiscal Agent

The information contained within this Official Statement was prepared under the direction of the City Council of the City of Vacaville by Stone & Youngberg, San Francisco, who were employed by the City as Financing Consultants in connection with the 1959 Water Revenue Bond Project.

All of the following summaries of the statutes, resolutions, and engineer's reports are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is hereby made to such documents for further information in connection therewith.

THE DATE OF THIS OFFICIAL STATEMENT IS JANUARY 13, 1959

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INTRODUCTION

The City of Vacaville is located approximately midway between the San Francisco Bay Area and the City of Sacramento on U. S. Highway 40. The city is a major shipping point for Solano County, the site of the well known Nut Tree restaurant and within a few miles of Travis Air Force Base and The California Medical Facility.

The \$1,950,000 of revenue bonds presently offered are a part of a total authorized issue of \$2,450,000. These bonds will provide funds for the acquisition and improvement of the local water system now owned by the Pacific Gas & Electric Company, referred to herein as the "enterprise", which now serves more than 2,600 water customers in the City of Vacaville.

Under the terms of an executed purchase agreement with the company, the city will acquire the system for a net sum of approximately \$1,733,000 in March, 1959. The balance of the bond proceeds will be used to establish certain reserve funds and to pay other costs connected with the acquisition and improvement of the system.

Based on the operating experience of the company, the city proposes to adopt a water rate ordinance which will provide an increase of revenues of approximately 25 per cent which will provide ample coverage for bond service, operation and maintenance costs and leave substantial surpluses each year which may be used to extend or improve the system, to accelerate the retirement of bonds or for other purposes.

THE BONDS

Authority for Issuance

The \$1,950,000 principal amount City of Vacaville 1959 Water Revenue Bonds, Series A, herein described and hereinafter called "the Bonds" are to be issued pursuant to Resolution No. 1959-A of the City Council of the City of Vacaville adopted January 6, 1959, hereinafter called "The Resolution", and the Revenue Bond Law of 1941 (Government Code Sections 54300 and following). The Resolution constitutes the contract between the City and the purchasers of the Bonds. Issuance of the Bonds was authorized by the voters of the City at a special election held November 4, 1958, by a vote of 1779 yes to 467 no.

Sale and Delivery of the Bonds

Bids will be received by the City Council of the City of Vacaville at 11:00 A.M. (P.S.T.) February 10, 1959. Details as to the terms of sale are included in the official notice inviting bids adopted January 20, 1959 and published January 23, 1959. No additional bonds of the authorized issue of \$2,450,000 will be offered for sale prior to January 1, 1960, and then only if required and subject to the earnings test provided in the Resolution.

Description of Bonds

The Series A Bonds presently being offered consist of \$1,950,000 principal amount, being part of an authorized issue of \$2,450,000. The Bonds, each in the denomination of \$1,000, are to be dated March 1, 1959 and will be payable March 1 of each year as follows:

\$1,950,000 PRINCIPAL AMOUNT SERIES A—MATURITY SCHEDULE

Bond Numbers (All numbers inclusive and bearing Prefix "A")	Principal Amount	Maturity Date March 1	Bond Numbers (All numbers inclusive and bearing Prefix "A")	Principal Amount	Maturity Date March 1
1- 15	\$ 15,000	1960	216- 250	\$ 35,000	1968
16- 35	20,000	1961	251- 285	35,000	1969
36- 60	25,000	1962	286- 325	40,000	1970
61- 90	30,000	1963	326- 365	40,000	1971
91- 120	30,000	1964	366- 410	45,000	1972
121- 150	30,000	1965	411- 455	45,000	1973
151- 180	30,000	1966	456- 500	45,000	1974
181- 215	35,000	1967	501-1950	1,450,000	1994

Interest is payable semiannually on March 1 and September 1 of each year.

Both principal of and interest on the Bonds are payable at the San Francisco Main office, Bank of America N.T.&S.A., 300 Montgomery St., San Francisco 4, California, Fiscal Agent for the City.

Redemption Provisions

The Serial Bonds numbers A1 to A500, both inclusive, maturing on or prior to March 1, 1974 are not redeemable prior to their fixed maturity dates.

The Term Bonds numbers A501 to A1950, both inclusive, maturing on March 1, 1994 are redeemable as a whole or in part on any interest payment date on or after March 1, 1970, upon payment of the principal amount thereof and accrued interest to date of redemption plus a premium as set forth below.

PREMIUMS FOR REDEMPTION OF BONDS NOS. A501-A1950

Bonds Redeemed On or After March 1	And Prior to March 1	Premium	Bonds Redeemed On or After March 1	And Prior to March 1	Premium
1970	1972	4 %	1982	1983	2 %
1972	1974	3¾ %	1983	1984	1¾ %
1974	1976	3½ %	1984	1985	1½ %
1976	1978	3¼ %	1985	1986	1¼ %
1978	1979	3 %	1986	1987	1 %
1979	1980	2¾ %	1987	1988	¾ of 1 %
1980	1981	2½ %	1988	1989	½ of 1 %
1981	1982	2¼ %	1989	1990	¼ of 1 %
			1990	Maturity	none

Notice of redemption is to be published at least thirty days but not more than sixty days prior to the redemption date once a week for two successive weeks in a newspaper of general circulation printed and published in the City and County of San Francisco, State of California. Notice of redemption will also be mailed to the registered owners of the Bonds.

Minimum Retirements of Term Bonds

The Resolution provides for mandatory minimum sinking fund payments to be made into the Retirement Fund beginning in March 1974 in sufficient annual amounts to retire all Series A Term Bonds numbered A501 to A1950, inclusive, on or before their maturity date on March 1, 1994. Annual deposits from the Revenue Fund into the Retirement Fund shall be sufficient each year to redeem at the then prevailing redemption price at least the following amounts of bonds.

MINIMUM ANNUAL SINKING FUND RETIREMENTS FOR BOND NOS. A501 THROUGH A1950

Year Ending March 1	Principal Amount of Series A Bonds to Be Called or Purchased	Year Ending March 1	Principal Amount of Series A Bonds to Be Called or Purchased	Year Ending March 1	Principal Amount of Series A Bonds to Be Called or Purchased
1975	\$ 45,000	1982	\$ 65,000	1989	\$ 85,000
1976	50,000	1983	65,000	1990	90,000
1977	50,000	1984	70,000	1991	90,000
1978	55,000	1985	75,000	1992	95,000
1979	55,000	1986	75,000	1993	100,000
1980	60,000	1987	80,000	1994	100,000
1981	60,000	1988	85,000		

The funds so deposited in the Retirement Fund on and after March 1, 1974 may be used to purchase at public or private sale any outstanding Series A Term Bonds at prices not to exceed the then current redemption price, otherwise said funds must be used to call and redeem by lot the minimum amount of bonds specified above.

Registration

These Bonds will be issued as coupon bonds and will be registrable only as to both principal and interest.

Legal Opinion

The legal opinion of Messrs. Orrick, Dahlquist, Herrington & Sutcliffe, San Francisco, California, attesting to the validity of the Bonds will be supplied free of charge to the original purchasers of the Bonds.

Tax Status

In the opinion of bond counsel, the interest on the Bonds is exempt from present Federal income taxes and from State of California personal income taxes under existing statutes, regulations and court decisions and the Bonds are exempt from all California taxes except inheritance, gift and franchise taxes.

Legality for Investment in California

The Bonds have been approved for certification by the California Districts Securities Commission. Upon sale of the Bonds, they will be certified by the State Controller as legal investments in California for all trust funds, and any funds (other than funds of savings banks) which may be invested in county, municipal, or school district bonds and will be eligible to secure deposits of public moneys.

Purpose of Issue

Proceeds of the Bonds are to be used for the purchase and improvement of the Vacaville District water system of the Pacific Gas & Electric Company which serves the City of Vacaville.

Disposition of Bond Proceeds

The Resolution provides that the proceeds received by the City upon sale of the Bonds shall be applied as follows:

- (1) The City Treasurer shall pay to the Fiscal Agent for deposit as follows:
 - (a) Accrued interest, if any, paid by the purchasers of the Bonds is to be deposited in the Water Revenue Bond Interest Fund.
 - (b) The sum of \$110,000 is to be deposited in the Water Revenue Bond Reserve Fund.
- (2) The City Treasurer shall retain the balance of the proceeds for deposit as follows in funds to be held by the City:
 - (a) The sum of \$20,000 is to be deposited in the Water Maintenance and Operation Fund. A minimum of \$10,000 is to be maintained in this fund as a revolving fund for operation of the system.
 - (b) The sum of \$20,000 is to be deposited in the Water System Replacement and Repair Reserve Fund which is to be maintained as a revolving fund and used for necessary repairs and replacements only when no other funds are available therefor.
 - (c) The balance of the proceeds of sale is to be deposited in the Water System Acquisition and Construction Fund and used for acquisition, improvement and financing of the Enterprise including incidental expenses attendant thereto.
 - (d) Any balance remaining in the Water System Acquisition and Construction Fund after completion of the acquisition, construction, improving and financing shall be deemed to be revenues of the Enterprise and used or applied as provided in the Resolution.

Disposition of bond proceeds will be approximately as follows:

Bond Reserve Fund.....		\$ 110,000
Water Maintenance and Operation Fund.....		20,000 ^①
Replacement and Repair Reserve Fund.....		20,000
Water System Acquisition and Construction Fund:		
Purchase Price (estimated):		
Base Price (July 1, 1958).....	\$1,700,070.96	
Additions to System (at cost).....	40,000.00	
	\$1,740,070.96	
Less: Refund Obligations.....	7,025.75	
	\$1,733,045.21	
Incidental Costs	50,000.00	
Improvements, Supplies, etc.....	16,954.79	1,800,000
Total		\$1,950,000

^① Minimum of \$10,000 to be maintained as maintenance and operation revolving fund.

Security

The Bonds and the interest thereon are payable from and secured by a first lien on the gross revenues of the Enterprise. Gross revenues include all income, receipts or revenues derived from the operation of the Enterprise or arising out of the Enterprise or in any way incidental to the Enterprise including interest on investments of reserve funds, provided, however, that moneys derived from the levy and collection of taxes by the City shall not constitute revenues of the Enterprise. No recourse shall be had for payment of the Bonds to the taxing power of the City or to its general fund. To further secure payment of the Bonds and to insure sound fiscal operations of the City, special funds are to be established as discussed below.

Bond Reserve Fund

Under terms of the Resolution a Bond Reserve Fund of \$110,000 is created from the bond sale proceeds and held by the Fiscal Agent. The Fund can be used only to pay principal and interest on the Bonds in the event no other funds are available for that purpose and must be replenished from the first available revenues, whenever drawn upon. Moneys in the Fund may be used to retire the last outstanding bonds of the issue and may be invested in direct negotiable obligations of the United States of America or in negotiable obligations fully guaranteed as to both principal and interest by the United States of America maturing not more than twelve years from date of purchase. Interest obtained by investment of the Bond Reserve Fund will become revenue of the water system.

Replacement and Repair Reserve Fund

A Replacement and Repair Reserve Fund of \$20,000 is also created from the proceeds of the Bonds. This reserve is to be used only to meet emergency and unforeseen necessary repairs or replacements of the water facilities. The reserve may be used at the discretion of the City Council for such needs but must be replenished from the first available funds. Moneys in the Fund may be invested in obligations of the United States maturing not more than twelve years from date of investment.

Maintenance and Operation Fund

The sum of \$20,000 from bond proceeds is to be deposited initially in the Maintenance and Operation Fund from which all operation and maintenance costs of the Enterprise are to be paid. Monthly deposits of a portion of the revenues remaining after bond service and reserve fund requirements are to be made into the Fund in sufficient amounts to meet annual budgeted operation and maintenance expenses, and, to maintain an amount of at least \$10,000 as a revolving balance.

Establishment of Fees, Rates, Tolls and Charges

The City covenants and agrees that as long as any Bonds are outstanding it will fix and maintain fees, tolls, rates, and other charges for water service which will produce annual net revenues equal to at least one and thirty one-hundredths (1.30) times the interest and principal or minimum sinking fund payment plus any Reserve Fund payments, required to be made in the next twelve months.

Annual net revenues are defined as gross revenues less annual maintenance and operation expenses. The latter includes the reasonable and necessary costs of maintaining and operating the Enterprise calculated on sound accounting principles including among other things the costs of administration, overhead, insurance, taxes (if any), refund payments and other similar costs, but without allowance for depreciation or obsolescence.

To assure collection of revenues the City agrees to collect such fees, tolls, rates or charges upon monthly, bi-monthly or quarterly bills, and to provide for the discontinuance of water service in the event of prolonged delinquency.

Deposit and Application of Revenues

The Resolution provides that all revenues of the Enterprise shall be deposited by the City not later than the fifth (5th) business day of each month beginning the calendar month next following the delivery of the bonds, estimated to be April 7, 1958, with the Fiscal Agent for deposit in the Water Revenue Fund.

All moneys in the Water Revenue Fund are to be administered by the Fiscal Agent and set aside and deposited or transferred by the Fiscal Agent to the following special funds, in the following order of priority given and to be withdrawn from said special funds only for the following purposes:

- (1) *In the Water Revenue Bond Interest Fund*—in approximately equal installments, on or before the tenth (10th) business day of each month (starting in March and September of each year except that in 1959 such payments shall start in April) an amount equal to not less than one-fifth (1/5) of Bond interest becoming due within the next six months period. Moneys in said Fund shall be used and withdrawn by the Fiscal Agent to pay interest on the Bonds as the same shall become due and payable.
- (2) *In the Water Revenue Bond Retirement Fund*—in approximately equal installments on or before the tenth (10th) business day of each month until March 1, 1974, (starting in March of each year except that in 1959 such payments shall start in April) an amount equal to not less than one-tenth (1/10) of the aggregate principal amount of Bonds to become payable within the next twelve months period. Moneys in the Fund shall be used and withdrawn by the Fiscal Agent for the payment of bonds as they mature.

After March 1, 1974 there shall be deposited in approximately equal installments on or before the tenth (10th) business day of each month so long as any of the Series A Bonds are outstanding, an amount equal to not less than one-tenth (1/10) of the Series A minimum annual sinking fund payment for the then current year. Moneys in the Fund shall be used for purchase of bonds, at public or private sale at not to exceed the then current redemption price, otherwise for mandatory call and redemption of bonds A501 through A1950 by lot.

- (3) *In the Water Bond Reserve Fund*—the amount, if any, required to maintain said fund at \$110,000. Moneys in the Fund may be used by the Fiscal Agent only to pay interest and principal of the Bonds in the event no other funds are available therefor or to pay in full the final outstanding Bonds. Moneys in the Fund may be invested in negotiable U. S. Government obligations maturing not more than twelve years from date of investment. Interest earned on investment of the Reserve Fund is to become part of the revenues of the Enterprise.
- (4) *In the Water Maintenance and Operation Fund*—the Fiscal Agent is to pay to the City Treasurer for deposit in the Water Maintenance and Operation Fund in approximately equal monthly installments, on the tenth (10th) business day of each month, one-tenth (1/10) of the amount budgeted by the City for the operation and maintenance costs of the Enterprise for each year, until the required amount has been deposited, including sums sufficient to maintain a revolving balance of at least \$10,000 except that beginning in April 1959, equal monthly installments of the amount budgeted for the remainder of the fiscal year ending June 30, 1959 shall be paid to the City Treasurer. The moneys in the Fund shall be paid out by the City, as required, for operation and maintenance expenses.
- (5) *In the Water Revenue Bond Surplus Revenue Fund*—the Fiscal Agent is to pay to the City Treasurer for deposit in the Water Revenue Bond Surplus Revenue Fund all money remaining in the Revenue Fund after satisfying the requirements of items (1) to (4) inclusive. Moneys in the Surplus Revenue Fund may be used by the City for any of the following purposes:
 - (a) To pay any reasonable costs of maintenance and operation for which no adequate budgeted amount was provided;
 - (b) For the costs of extensions, improvements, or customer connections to the Enterprise;
 - (c) Redeposited with the Fiscal Agent to be used to purchase Bonds at public or private sale at not to exceed the then current redemption price or the redemption price on March 1, 1970, whichever is lower; or to be used and withdrawn by the Fiscal Agent on or after March 1, 1970 to call and redeem Bonds;
 - (d) For any lawful purpose of the City.

Additional Bonds

Additional Bonds including additional series of this issue may only be issued on a parity with these Bonds, subject to the following conditions, as specified by Section 11 of the Resolution:

- (a) The City must not be in default at the time of issue of Additional Bonds and the Additional Bonds must be authorized by a majority vote at a city bond election.
- (b) The final maturity date of the Additional Bonds must be not earlier than the final maturity date of any outstanding Bonds of the present issue. Additional Bonds must mature on March 1 of each year, and pro-

vision must be made for the payment and retirement of the Additional Bonds on or before their respective maturity dates.

- (c) The Bond Reserve Fund shall be increased, if necessary, to an amount equal to the maximum annual bond service on all bonds outstanding in any one year thereafter.
- (d) The actual annual net revenues of the Enterprise for the preceding 12 months plus 75 per cent of the additional annual net revenues (over and above the amount of actual annual net revenues for the preceding twelve months period) estimated to be produced in any twelve months period out of the next twenty-four months period shall equal at least 1.30 times the aggregate average annual amount of the interest and principal to become payable in any calendar year thereafter on the outstanding Bonds and the Additional Bonds. The aggregate average annual principal and interest on all Bonds is to be computed on the basis of assumed equal annual payments of interest plus principal repayment during these fixed maturity dates with interest calculated at not less than the average interest rate on Bonds of this issue then outstanding. The estimate of additional net revenues must be made by a qualified independent engineer appointed by the City and satisfactory to the Fiscal Agent.

If Additional Bonds are issued solely for the purpose of refunding and retiring Bonds of this issue then outstanding, the above computations are to be made only for years in which both Bonds of this issue and Additional Bonds will be outstanding.

Additional Covenants

The Resolution contains other covenants in which the City agrees:

To commence and complete the acquisition and improvement of the Enterprise and to acquire, construct, and improve the Enterprise in a sound and economical manner.

To operate the water system efficiently and economically and to maintain it in good repair and working order.

To protect the security of the Bonds and the rights of the bondholders, to defend those rights against all claims and demands of others, and to pay all claims which, if unpaid, might impair the security of the Bonds.

To keep proper books of record and accounts and to file annually, within 60 days after the end of each fiscal year, a detailed balance sheet and statement of revenues and disbursements (prepared by a Certified Public Accountant), rates, and the physical condition of the system with the Fiscal Agent and to publish annually a summary of the financial statement.

A view of the new residential development in the northwest portion of Vacaville extending north into the Vaca Valley. An average of 250 new homes per year have been constructed in Vacaville for the last 5 years. PHOTO COURTESY OF VACAVILLE PLANNING COMMISSION.



Not to mortgage or otherwise encumber or permit to be encumbered the Enterprise or any of its revenues or enter into any agreement which impairs the operation of the Enterprise.

To maintain insurance against loss of or damage to the Enterprise and fidelity bonds covering all officers and employees who handle funds of the City.

To require by ordinance that all owners of premises connected to the Municipal Water System must pay the fees, tolls, and rates charged by the City, to discontinue service in the event of prolonged delinquency and not to furnish any free water.

Not to construct or permit, within its authority to do so, construction or operation of any water system competitive with the Enterprise.

THE ENTERPRISE

General Description

The City of Vacaville will acquire, under the terms of a purchase agreement, the water system of the Pacific Gas & Electric Company, Vacaville District. This system serves the city and small areas outside the city and adjacent thereto. The system was originally constructed in 1890 by the Vacaville Water and Light Company. In 1915 the properties were taken over by the Vacaville Water and Power Company which was acquired by the Pacific Gas & Electric Company in 1928. The company has expended more than \$1,000,000 on the water system facilities of the Vacaville District in the last 5 years. These facilities have been installed according to the company's specifications, based upon design by its engineering department and financed almost entirely from company funds. The company policy has been to install first class materials in all of its distribution systems. In recent years, major distribution system improvements have been made with asbestos cement pipe.

The city will acquire a basically modern system which can be readily maintained to provide a high standard of service to its residents. In 1958 the company constructed a new high level storage tank of 2,000,000 gallons capacity and one new well which has a production capacity of approximately 1,000 gallons per minute. It is estimated that present water production facilities (water supply and storage) are adequate to provide for an additional 400 customers with no further major expenditures. Recent completion of the South Putah Canal of the Solano Project will provide ample supplies to supplement well-water sources (see separate section on Solano Project).

Under city ownership, the system will be operated by Mr. Howard J. Wood who will become superintendent of the water department directly under the Director of the Public Works Department. Mr. Wood has been with the Pacific Gas & Electric Company for 9 years and presently is in charge of operation of the Vacaville system. Six other employees will be added to the municipal staff to operate the water system.

Description of the Water System

Water for the Vacaville system is obtained from 6 wells varying in depth from 250 feet to over 900 feet. These wells are all outside the city along Elmira Road. Storage capacity for the system is contained in one ground level reservoir of 1,000,000 gallons capacity and 2 elevated tanks of 375,000 gallons and 2,000,000 gallons capacity (recently constructed). The city will acquire all water rights established by P.G.&E. for the system.

The Vacaville system consists principally of 4", 6" and 8" diameter pipes, although pipe sizes range from $\frac{3}{4}$ " to 12". The system now has almost 170,000 linear feet of distribution system of which more than 70 per cent has been installed in the past 12-year period. Most of the pipe installed during this period has been asbestos cement.

Growth of the Vacaville Water System

The Vacaville water system presently serves approximately 2,600 active service connections (not including fire hydrants or fire protection connections). All of these customers are metered. Recent growth of the system in terms of active service connections and capital additions to utility plant is shown in the following tabulation.

VACAVILLE WATER SYSTEM—ACTIVE SERVICE CONNECTIONS AND CAPITAL ADDITIONS

Date	Active Service Connections ^①		Capital Additions to Utility Plant
	Total	Added	
January 1, 1955.....	1,476	132	\$ 130,911
January 1, 1956.....	1,777	301	96,997
January 1, 1957.....	2,092	315	122,628
January 1, 1958.....	2,354	262	272,004
January 1, 1959 Estimated.....	2,600	246	413,000
		1,256	\$1,035,540

① Active services not including fire hydrants.

The tabulation below shows the estimated growth of the system over the 12-year period beginning January 1, 1946 and ending December 31, 1958. During this period, active service connections have increased by 303 per cent. 4" to 12" pipe in the system has increased by 317 per cent and the investment in the utility plant has increased by 645 per cent.

VACAVILLE WATER SYSTEM—ESTIMATED GROWTH OF SYSTEM 1946 TO 1958

	January 1 1946	December 31 1958	Increase	Percent of Existing System
Active Service Connections.....	645	2,600	1,955	75.3%
4" to 12" Pipe in System.....	40,700	170,000	129,300	76.0%
Investment in Utility Plant.....	\$225,000	\$1,675,000	\$1,450,000	86.3%

Under municipal ownership and operation, the expansion potential of the system is an important asset. Because of the location of its growth, present water supply and the availability of water from the Monticello Project, the city will be free to expand the system as the need arises. In particular, the city planning consultants envision: (a) Industrial growth along Elmira Road to the east where water and sewer facilities can be supplied to over 2 miles of presently vacant flat land and (b) Residential expansion to the northwest in Vaca Valley. Investigation of the building permits and current subdivision activities indicates that the Vacaville system will have a minimum growth of approximately 125 new customers in 1959. Other possible subdivision lots are indicated but no information is presently available on the number of services in these subdivisions.

Purchase Agreement

The Pacific Gas & Electric Company and the City of Vacaville have entered into a purchase agreement which provides for the sale to the city of all the properties, franchises, operative rights and assets comprising the Vacaville District water system at a base price of \$1,700,000 plus applicable sales tax of approximately \$70.96. The California Public Utilities Commission approved the sale of the system by the company by its order No. 57851 at its meeting on January 13, 1959 to be effective on February 2, 1959.

In addition to the base price, the agreement further provides a means whereby the company is compensated for improvements and additions to the system made after July 1, 1958. Under terms of the agreement, the city will assume obligations of the company under refund agreements and will receive from the company in return for acceptance of this obligation an amount equal to the balance outstanding under these refund agreements as of the date of the transfer of the property. Water meters will be read as of the date of transfer of the property; taxes and other expenses as are necessary will be prorated as of the date of settlement.

Refund Agreements

The city will assume the obligations of the company as they pertain to refund agreements. The net refund obligations of the company are expected to be approximately \$7,025.75 as of the date of transfer. These refund agreements are based both on the per cent of revenue method and on the 75 and 65 foot rules prescribed by the Public Utilities Commission. The city will assume one contract in the amount of approximately \$5,695 pertaining to an advance by the Valley View Water Users Association. The advance provided an extension of the system within the city limits of the city. The water users association at its own expense extended this line further outside the city limits to serve an estimated 17 customers. More customers are expected on this line. Under the

terms of the agreement, the city would refund approximately 44 per cent of the gross revenues received from the sale of water to these customers for the next 10-year period or until the amount of the advance had been refunded.

Water Rates

The present water rates charged by the company in Vacaville were authorized by the Public Utilities Commission effective December 15, 1952. Prior to that date, the company had charged the rates in effect in 1927 when it acquired the Vacaville system. On February 27, 1958, the company filed an application with the Public Utilities Commission seeking authority to increase the rates for water service from the Vacaville system. This petition requested an interim increase in rates of approximately 25 per cent to be followed in one year by a further increase totaling approximately 45 per cent. On February 3, 1959 the city council will adopt a water rate ordinance which will provide for a municipal water rate approximately equal to the interim rate requested by the company. This will represent an increase in water revenues under municipal operation of approximately 25 per cent above those now being charged by the company. The following schedule compares the present rates charged by the company and the rates to be applied by the city, which as previously stated are approximately equal to the interim rate increase requested by the company but considerably below the rates requested by the company to become effective in about one year.

VACAVILLE WATER SYSTEM—WATER RATE SCHEDULES AND CHARGES

Pacific Gas & Electric Co. (Present Rates)	City of Vacaville Proposed City Rates (Interim Rates Requested by P.G.&E.)
<i>General Metered Rate</i>	
Monthly Quantity Charge:	
First 800 cu. ft., or less.....\$ 2.50	Quantity Rates:
Next 1,600 cu. ft., per 100 cu. ft..... .25	First 800 cu. ft., or less.....\$ 3.55
Next 2,600 cu. ft., per 100 cu. ft..... .20	Next 2,200 cu. ft., per 100 cu. ft..... .25
Over 5,000 cu. ft., per 100 cu. ft..... .13	Next 7,000 cu. ft., per 100 cu. ft..... .20
	Over 10,000 cu. ft., per 100 cu. ft..... .16
Monthly Minimum Charge:	
For 5/8 inch meter.....\$ 2.50	For 5/8 x 3/4 inch meter.....\$ 3.55
For 3/4 inch meter..... 3.25	For 3/4 inch meter..... 5.00
For 1 inch meter..... 4.00	For 1 inch meter..... 7.00
For 1 1/2 inch meter..... 5.00	For 1 1/2 inch meter..... 13.00
For 2 inch meter..... 10.00	For 2 inch meter..... 25.00
For 3 inch meter..... 20.00	For 3 inch meter..... 50.00
For 4 inch meter..... 30.00	For 4 inch meter..... 90.00
For 6 inch meter..... 75.00	
For 8 inch meter..... 100.00	

The monthly minimum charge will entitle the customer to the quantity of water which that minimum charge will purchase at the quantity rate.

Industrial Metered Rate

Quantity Charge:		Quantity Rate:	
for all water supplied, per 100 cu. ft.....\$.125	For all water supplied, per 100 cu. ft.....\$.15
Minimum Charge:		Minimum Charge:	
For the first 200 gallons per minute of contracted maximum rate of flow.....\$	500.00	For the first 200 gallons per minute of contracted maximum rate of flow.....	600.00
For each additional 10 gallons per minute of contracted maximum rate of flow.....	25.00	For each additional 10 gallons per minute of contracted maximum rate of flow.....	30.00

The minimum charge shall be accumulative annually.

Revenues and Expenses

Table 1 presents a comparison of company and city revenues and expenses. Estimates of revenue and expenses of the Enterprise under municipal ownership and operation have been based for the most part on the actual experience of the company in operating the system. In projecting estimates of annual revenues, it is assumed that such revenues will be increased by approximately 25 per cent above the present rate schedule of the company. Revenue projections under municipal operation for 1959 have also assumed a growth from 2,600 to an

average of 2,650 active service connections. Revenue projections under city operation do not include possible income from connection charges which may be established by the city (not now charged by the company) and likewise no consideration was given to revenues derived from the investment of moneys in the Bond Reserve Fund or other funds which could amount to an additional \$4,000 to \$5,000 per year.

Operation and maintenance expenses under city operation have been assumed at approximately the same rate per connection as was experienced by the company in 1957 and 1958. The total operating expense assumed by the city is the result of a detailed budgetary study by city officials.

TABLE I
CITY OF VACAVILLE — COMPARISON OF COMPANY AND CITY REVENUES AND EXPENSES

	Pacific Gas & Electric Company Vacaville District			City of Vacaville Pro Forma 1959 City Rate ^⑤
	1957 Present Rate	1958 Present Rate	1958 Interim Rate ^⑤	
Average Active Service Connection ^①	2,220	2,462^⑥	2,462^⑥	2,650
Revenues:				
Metered Commercial	\$125,348	\$139,400	\$174,300	\$197,100
Metered Industrial	17,434	15,200	18,300	18,300
Metered Public Authority.....	11,055	12,100	14,900	14,900
Fire Protection and Miscellaneous.....	5,508	6,270	8,090	8,100
Total Operating Revenue ^②	\$159,345	\$172,970	\$215,590	\$238,400
(Per Connection) ^③	(\$64.00)	(\$64.00)	(\$87.50)	(\$83.40)
Income Deductions:				
Operating Expenses				
Pumping	\$ 25,064	\$ 31,250	\$ 31,250	
Water Treatment	563	890	890	
Transmission and Distribution.....	14,986	19,360	19,360	
Customer Accounts	12,815	14,400	14,400	
Administration	6,838	7,733	7,887	
Total Operating Expenses.....	\$ 60,266	\$ 73,633	\$ 73,787	\$ 77,000
(Per Connection)	(\$27.20)	(\$29.90)	(\$29.90)	(\$29.10)
Depreciation ^④	24,002	31,772	31,772	—
Taxes	16,151	27,548	50,446	—
Total Deductions	100,419	132,953	156,005	77,000 ^⑦
Net Income (before debt service).....	\$ 58,926	\$ 40,017	\$ 59,585	\$161,400

① Not including fire protection.

② Not including rent from water properties.

③ Not including Industrial.

④ Account No. 503.

⑤ Proposed by company in rate application to P.U.C. adopted by City.

⑥ Estimates by company for submission to P.U.C. in rate application.

⑦ Includes estimated payroll taxes, the city will not be subject to ad valorem taxes.

No depreciation is charged under city operation as it is under company operation because the annual retirement of debt, which is excluded under company operation but included under city operation, is on the average in excess of depreciation charges and accomplishes the same purpose—that is to extinguish the cost of the facilities during their useful life. Furthermore, the city intends to continue the policy of having substantially all new distribution lines installed by subdividers or individuals. Cost of any additional major installations can be met from remaining bond proceeds, surplus revenues or the sale of additional bonds.

BOND RETIREMENT AND COVERAGE OF REVENUES

Annual Bond Service

Table 2 presents an estimate of the total annual bond service for Series A Bonds based on an assumed interest rate of 4½ per cent. Bond service is composed of interest, principal due or minimum sinking fund payments and premiums on bonds retired with sinking fund payments. The average annual bond service during the life of the bonds, as shown in Table 2, is approximately \$112,000.

TABLE 2
CITY OF VACAVILLE 1959 WATER REVENUE BONDS
ESTIMATED TOTAL ANNUAL BOND SERVICE
\$1,950,000 PRINCIPAL AMOUNT SERIES A

Year Ending (March 1)	Balance Outstanding	Interest (4½%)	Principal Due on Minimum Sinking Fund ^①	Premiums on Min. Sinking Fund Retirements	Total Bond Service
Serial Bonds:					
1960	\$ 1,950,000	\$ 87,750	\$ 15,000		\$ 102,750
1961	1,935,000	87,075	20,000		107,075
1962	1,915,000	86,175	25,000		111,175
1963	1,890,000	85,050	30,000		115,050
1964	1,860,000	83,700	30,000		113,700
1965	1,830,000	82,350	30,000		112,350
1966	1,800,000	81,000	30,000		111,000
1967	1,770,000	79,650	35,000		114,650
1968	1,735,000	78,075	35,000		113,075
1969	1,700,000	76,500	35,000		111,500
1970	1,665,000	74,925	40,000		114,925
1971	1,625,000	73,125	40,000		113,125
1972	1,585,000	71,325	45,000		116,325
1973	1,540,000	69,300	45,000		114,300
1974	1,495,000	67,275	45,000		112,275
Subtotal		\$1,183,275	\$500,000		\$1,683,275
Minimum Sinking Fund (Term) Bonds:					
1975	\$ 1,450,000	\$ 65,250	\$ 45,000	\$ 1,575	\$ 111,825
1976	1,405,000	63,225	50,000	1,625	114,850
1977	1,355,000	60,975	50,000	1,625	112,600
1978	1,305,000	58,725	55,000	1,650	115,375
1979	1,250,000	56,250	55,000	1,513	112,763
1980	1,195,000	53,775	60,000	1,500	115,275
1981	1,135,000	51,075	60,000	1,350	112,425
1982	1,075,000	48,375	65,000	1,300	114,675
1983	1,010,000	45,450	65,000	1,137	111,587
1984	945,000	42,525	70,000	1,050	113,575
1985	875,000	39,375	75,000	938	115,313
1986	800,000	36,000	75,000	750	111,750
1987	725,000	32,625	80,000	600	113,225
1988	645,000	29,025	85,000	425	114,450
1989	560,000	25,200	85,000	212	110,412
1990	475,000	21,375	90,000		111,375
1991	385,000	17,325	90,000		107,325
1992	295,000	13,275	95,000		108,275
1993	200,000	9,000	100,000		109,000
1994	100,000	4,500	100,000		104,500
Subtotal		\$ 773,325	\$1,450,000	\$17,250	\$2,240,575
TOTAL		\$1,956,600	\$1,950,000	\$17,250	\$3,923,850

^①Minimum sinking fund retirements for \$1,450,000 principal amount bonds due March 1, 1994.

Net Revenues and Coverages

Table 3 shows the annual estimated revenues, bond service, expense and surpluses by years together with bond service coverage ratios. The estimated gross revenues and estimated operation and maintenance costs are

based on the assumption that the system will serve an average of 3,000 active service connections by 1964 and with no growth predicted beyond that time. This compares with the present 2,600 active service connections. This assumption appears conservative in view of the fact that it is based upon a growth rate of 100 new customers per year, approximately 40 per cent of the recent historical trend.

TABLE 3

CITY OF VACAVILLE

ESTIMATED REVENUES, BOND SERVICE, EXPENSES, SURPLUS AND COVERAGE.

(BASED ON MINIMUM GROWTH FROM 2,600 TO 3,000 ACTIVE SERVICE CONNECTIONS)

Year Ending March 1	Gross Revenues ^①	Bond Service at 4½ %	Gross Coverage Ratio	O & M Costs ^②	Surplus Revenues ^③	Net Coverage Ratio ^④
1960	\$238,400	\$102,750	2.32	\$77,000	\$58,650	1.57
1961	245,200	107,075	2.29	80,000	58,125	1.54
1962	252,000	111,175	2.27	83,000	57,825	1.52
1963	258,800	115,050	2.25	86,000	57,750	1.50
1964	262,200	113,700	2.30	87,500	61,000	1.54
1965 and thereafter	262,200	116,325 (max.)	2.25	87,500	58,375	1.50 (min.)

① Revenue for 2,650 active service connections average for year ending 3/1/60 plus revenues from 100 new residential customers each in 1961, 1962, 1963, and 50 new customers in 1964. Does not include revenue from new commercial establishments, interest on reserves, or possible income from connection charges.

② Based on budget adopted by city on a per connection basis.

③ Available for improvements or other city purposes.

④ Ratio of annual net revenues (gross revenues less operation and maintenance expenses) to bond service.

Attention is directed to the fact that under the bond resolution the bonds have first lien upon the gross revenues of the Enterprise.

Monticello Dam, completed in 1957 as the central feature of the Bureau of Reclamation's \$47,000,000 Solano Project, is located 18 miles north of Vacaville. The dam is 304 feet high and will impound 1,600,000 acre feet of water. Vacaville is assured of a portion of the water supply from this project.

U. S. BUREAU OF RECLAMATION PHOTO.



THE SOLANO PROJECT

Monticello Dam

Monticello Dam (completed in 1957), central feature of the Bureau of Reclamation's \$47,000,000 Solano Project, is located eighteen miles north of Vacaville. Included as part of the project is the Putah Diversion Dam, six miles downstream from Monticello Dam and the South Putah Canal, now completed, which will carry Monticello water from the diversion dam to a point near Cordelia, a distance of 38 miles. This canal passes directly beneath the main water transmission line serving the City of Vacaville from wells on Elmira Road.

The Monticello Dam, 304 feet high, will create a reservoir with a storage capacity of 1,600,000 acre feet, which, when full, will cover 19,250 acres of land. At the present time the reservoir is approximately 40 per cent full.

This abundant supply of low cost water for irrigation, domestic and industrial use is expected to encourage substantial new developments in agriculture and industry. Because of its location, Vacaville will be among the first to benefit from the project.

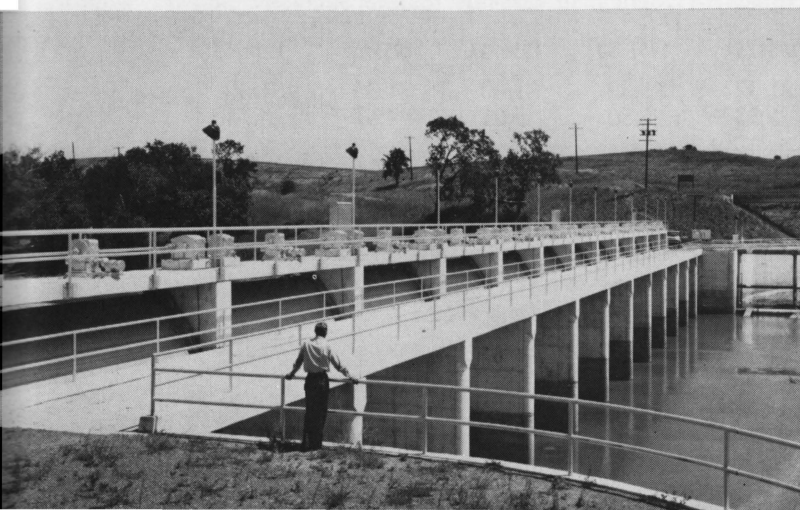
Future Water Supply for the City of Vacaville

The City of Vacaville is assured of a portion of the water supply from Monticello Dam by virtue of its member agency contract with the Solano County Flood Control and Water Conservation District, the prime contracting agency with the U. S. Bureau of Reclamation for the use of Solano Project water. The Solano County Flood Control and Water Conservation District was organized in 1951 by a special act of the California State Legislature to create a local governmental agency which could effectively contract with the Bureau of Reclamation for the purchase and delivery of water from the Monticello Reservoir. The conservation district executed a 40-year contract with the bureau (effective upon the date of initial water delivery) for an ultimate annual supply of 247,000 acre feet. The safe annual yield of the Monticello Reservoir is estimated at 262,000 acre feet. The contract provides that the price of irrigating water shall not exceed \$2.65 per acre foot at the side of the Putah South Canal nor exceed \$15.00 per acre foot for municipal or industrial water at the place of use (including water purchased by the City for the Enterprise). Actual cost of water is to be determined by operating experience.

The Solano Irrigation District, covering an agricultural area of approximately 75,000 acres in Solano County near Vacaville, has entered into a member unit contract with the Conservation District for an ultimate supply of 141,000 acre feet per year. Concurrently, the City of Vacaville also entered into a member unit contract with the Conservation District for an ultimate supply of 5,600 acre feet per year. This will provide sufficient additional water for a population increase of more than 30,000 people.

The Putah Diversion Dam, located six miles downstream from Monticello Dam. The receiving point of the Putah South Canal is in the right center of the picture.

U. S. BUREAU OF RECLAMATION PHOTO.



A section of the completed 38-mile Putah South Canal, which will carry water from the diversion dam to a point near Cordelia. This canal passes directly beneath the City of Vacaville's main water transmission line.

U. S. BUREAU OF RECLAMATION PHOTO.



The tabulation below indicates Vacaville's maximum and minimum amounts of contracted water from the Conservation District.

	Minimum	Maximum
First 5 years		
After initial delivery.....	0 acre feet	5,600 acre feet
Next 10 years.....	960 acre feet	5,600 acre feet
Next 10 years.....	2,600 acre feet	5,600 acre feet
Next 10 years.....	4,280 acre feet	5,600 acre feet
Next 5 years.....	5,600 acre feet	—

This water would be delivered to Vacaville through the Putah South Canal which crosses Elmira Road between the main well field and the booster pump station. At this point, the canal will be directly beneath the 10" transmission main which delivers water from the well field to the booster pump station and which is located in Elmira Road right-of-way. The city will be able to take water directly from the canal. Land is available at the booster pump station for such future facilities as may be required to utilize this water.

FINANCIAL DATA

Assessed Valuation

The City of Vacaville has used the Solano County assessment roll as the basis for the City's assessed valuation since 1917. The California State Board of Equalization reports the 1958/59 county valuations to average 23.7 per cent of market value except for public utility property which is assessed at 50 per cent. City assessed valuations, tax rates, and delinquencies for the past four years are shown below :

	1957/58	1956/57	1955/56	1954/55
Net Taxable Valuation	\$7,736,730	\$6,393,280	\$4,848,970	\$4,238,630
Highest tax rate per \$100.....	1.39	1.40	1.35	1.30
Tax Levy	\$ 512,316	\$ 402,562	\$ 275,895	\$ 241,941
Amount delinquent June 30	\$ 836	\$ 502	\$ 284	\$ 899
Per cent delinquent	0.16%	0.12%	0.10%	0.37%

1958/59 ASSESSED VALUATION

Secured	\$ 8,672,220
Unsecured	317,840
Utility	1,180,340
	<hr/>
	\$10,170,400
Less exemptions	991,530
	<hr/>
Total Assessed Valuation.....	\$ 9,178,870

Tax Rates

Tax rates per \$100 assessed valuation for the City of Vacaville for all city and county purposes including schools for the years 1954/55-1958/59 are as follows:

	1958/59	1957/58	1956/57	1955/56	1954/55
City	\$1.37	\$1.39	\$1.40	\$1.35	\$1.30
County (all purposes excluding City rate).....	5.53	5.50	5.01	4.67	4.74

Direct and Overlapping Debt

The city has \$148,000 general obligation bonds outstanding at the present time. The direct and overlapping debt of the city is as follows:

CITY OF VACAVILLE—DIRECT AND OVERLAPPING BONDED DEBT^①

Population (1958 estimated).....	9,700
Assessed Valuation (City and County basis).....	\$ 9,178,870
Estimated Market Value.....	\$36,109,752
General Obligation Bonds	
	Per cent Applicable
Vacaville Union High School District.....	55.537
Vacaville Union High School District.....	47.896
Vaca Valley Union School District.....	58.940
Vaca Valley Union School District.....	59.204
City of Vacaville.....	100.
	Debt
	\$ 81,639
	225,111
	48,920
	336,871
	148,000 ^②
Total Direct and Overlapping Bonded Debt.....	\$ 840,541

	County Assessed Valuation	Estimated Market Value	Per Capita
Ratios			
Direct Debt.....	1.61%	.409%	\$15.26
Total Debt.....	9.16%	2.33 %	86.65

① Based on information prepared by California Municipal Statistic, Inc., San Francisco.

② Does not include \$1,950,000 principal amount of revenue bonds offered herewith which are self-supporting from revenues.

Receipts, Expenditures and Fund Balances

The following table illustrates revenues, expenditures and fund balances for the City of Vacaville during the fiscal years 1953/54 through 1957/58.

CITY OF VACAVILLE—SUMMARY OF RECEIPTS, EXPENDITURES AND FUND BALANCES

	1957/58	1956/57	1955/56	1954/55	1953/54
RECEIPTS					
Property Taxes	\$105,009	\$ 86,754	\$ 63,753	\$ 53,864	\$ 44,280
Sales and Use Tax.....	58,375	30,519	24,055	19,654	19,242
Licenses and Permits.....	20,348	20,738	24,392	22,747	21,325
Fines and Penalties.....	9,319	8,107	9,032	14,740	13,126
Public Service Enterprise ^①	128,403	129,400	130,093		
Sewer Use Charges.....	38,172	34,428	27,450	24,223	26,146
Franchises	11,608	9,076	7,394	6,432	1,565
Subventions and Grants.....	63,688	66,877	41,336	84,704	8,227
Miscellaneous	24,903	33,984	25,526	61,292	29,943
Bond and Trust Funds.....	37,449	25,978	20,187	82,501	9,669
Total Receipts	\$497,274	\$445,861	\$373,218	\$370,157	\$173,523
EXPENDITURES					
General Government	\$ 31,196	\$ 31,787	\$ 28,981	\$ 31,770	\$ 16,197
Public Service Enterprise.....	85,431	83,652	96,150		
Protection of Persons and Property.....	86,447	75,136	53,550	59,398	47,176
Health and Sanitation.....	20,230	9,814	8,765	11,647	7,670
Streets	55,118	49,829	39,222	43,827	49,341
Bond Interest and Redemption.....	24,617	26,102	28,172	23,390	12,360
Miscellaneous	13,158	12,877	11,558	11,720	13,527
Bond and Trust Funds.....	51,110	22,855	15,652	12,303	9,718
Subtotal	\$367,307	\$312,052	\$282,050	\$194,055	\$155,989
Capital Outlay	80,044	89,468	44,781	128,574	70,467
Total Expenditures	\$447,351	\$401,520	\$326,831	\$322,629	\$226,456
FUND BALANCES					
General Fund	\$131,032	\$ 90,330	\$ 71,032	\$ 44,308	\$ 34,392
Bond Funds	8,466	7,306	3,882	9,301	656
Special Purpose Funds.....	197,421	189,410	103,839	70,135	36,010
	\$336,919	\$287,046	\$178,753	\$123,744	\$ 71,058

① Federal public housing project purchased by city.

CITY OF VACAVILLE

The City of Vacaville is situated in the Sacramento Valley approximately 31 miles south of Sacramento and about 45 miles north of the cities of Oakland and San Francisco. Located in the west central part of Solano County on U. S. Highway 40, Vacaville has a gross area of approximately 2 square miles.

In addition to being the shipping center of a well diversified and cultivated agricultural area, several governmental facilities contribute substantially to the city's economy. Within 7 miles of the city are Travis Air Force Base and The California Medical Facility. The U. S. Naval Shipyard at Mare Island, University of California at Davis and the Benicia Arsenal are also within a short driving distance.

Municipal Government

The City of Vacaville was incorporated in 1892 and operates under provisions of the state constitution and statutes as a general law city. The city has a council-administrator type of government. The city council consists of five members elected at large for four-year terms. The mayor is selected by the city council from among its members and customarily serves for two years. Other elected officials are the City Clerk and the City Treasurer, all elected for 4 year terms. Public work activity of the city is under the direction of the Director of Public Works, appointed by the City Administrator. A city administrator serves as the chief administrative officer of the city. A full-time staff of 40 employees work for the city.

The city's police department consists of 11 full-time officers and 3 full-time policewomen. The full-time force is supplemented by 8 reserve officers. The department has two patrol cars equipped with three-way radios and one civil defense vehicle. All police officers are trained in fire prevention procedures.

Vacaville's fire department is staffed by a full-time chief and 29 volunteer firemen. A newly constructed fire house houses a total of 8 vehicles, 6 of which are fire-fighting equipment. The city's fire defense rating is Class 5. The city is also a member of a mutual fire assistance program with its neighboring communities.

Population

The city's population has increased steadily and since 1940 the population has more than quadrupled. A special federal census in 1957 showed a 184 per cent increase over the 1950 census. This increase was one of

The new parallel Carquinez Straits bridge on U. S. Highway 40 approximately midway between Vacaville and San Francisco. This bridge together with improvements to Highway 40 brings Vacaville within about 60 minutes driving time to San Francisco.

PHOTO COURTESY OF CALIFORNIA STATE DIVISION OF HIGHWAYS.



the highest in California. An indication of Vacaville's growth is shown by the following tabulation of federal census data and recent estimates :

	1930	1940	1950	1955	1956	1957	1958
City of Vacaville....	1,556 ^①	1,614 ^①	3,169 ^①	5,650 ^②	7,353 ^②	9,018 ^②	9,700 ^③
Solano County	40,834	49,118	104,833	117,000 ^③	121,250 ^③	124,700 ^③	126,025 ^③

① U. S. Census.

② Special U. S. Census.

③ Estimated.

The county's population has more than doubled since 1940 and continuing improvements of highways and other facilities appears certain to insure continuation of the trend.

Future population estimates are shown below for Solano County as compiled by the San Francisco Bay Area Rapid Transit Commission and for the City of Vacaville as developed by the city's planning consultant.

	1958	1960	1970	1990
Solano County	125,500	154,000	215,000	390,000
City of Vacaville.....	9,700	10,000	18,500	32,000

Climate and Topography

Vacaville enjoys a warm, dry climate free of fog and industrial pollutants. The mean annual temperature is 60 degrees and the 71 year recorded mean rainfall is 25.45 inches. Situated in a broad, flat valley at the foot of rolling hills, the area to the north, south and east of Vacaville is level and well suited for residential and industrial development.

Indices of Growth

Economic indices of the growth of Vacaville are presented below :

	1953	1954	1955	December 31 1956	1957	1958 ^①
Telephone Services	1,688	1,837	2,215	2,613	3,081	3,328
Gas Customers	1,380	1,516	1,826	2,159	2,415	2,526
Electric Customers	1,474	1,620	1,922	2,244	2,494	2,661
Water Connections	Na	1,476	1,777	2,092	2,354	2,600
Building Permits Number.....	Na	Na	408	234	252	441
Value	\$1,114,500	\$1,188,353	\$4,224,566	\$2,769,718	\$3,504,760	\$3,393,725

① October 30.

Industry

Vacaville, although more well known for its residential areas, is the site of Basic Vegetable Products, Inc., one of the country's largest dehydrators of onions and garlic. The plant processes onions and garlic which are sold throughout the world. Some of the national trade names which buy from Basic Vegetable include H. J. Heinz, McCormick & Co., and Thomas J. Lipton, Inc. Employment is seasonal and varies from 250 to 600. Employee payrolls were \$1,500,000 in 1957.

Vaca Valley Creamery employs 25 to 30 persons in the processing of dairy products. \$453,000 of dairy products were processed in 1957 and plant payroll amounted to \$111,000.

Recently, the Champion Paper and Pulp Company acquired approximately 1,500 acres of land 12 miles southeast of Vacaville and announced plans to build a \$30,000,000 paper and pulp mill. When completed the mill will probably employ 400 to 600 people with an annual payroll of about \$3,900,000.

The Nut Tree restaurant, immediately north of the city on U. S. Highway 40, is well known throughout the state for its specialty fruit and nut menus and toy shop. The 1900 foot Nut Tree airport is a favorite stopping point for light aircraft. Employment varies from 125 to 200.

Travis Air Force Base

Travis Air Force Base, a permanent installation located about seven miles south of Vacaville, is the largest air force base on the West Coast. As Western Headquarters for the Military Air Transportation

Service (MATS) and housing units of the Strategic Air Command, Air Defense Command, Air Material Command, and the Army Air Defense Command, the base serves as both an air defense center and as an aerial port of embarkation for the Pacific Area.

A complement of approximately 12,800 military personnel and 1,200 civilian personnel operate the base, and the annual payroll is about \$44,000,000. Other expenditures total approximately \$20,000,000 per year.

The base is valued at \$116,000,000 with flight equipment inventories valued at another \$173,000,000. Future delivery of new transport and jet aircraft is expected to increase the value of the equipment to over \$400,000,000. MATS aircraft, in a twelve-month period, flew 414 million passenger miles handling approximately 28,000 passengers per month at Travis.

California Medical Facility

The California Medical Facility (2 miles southeast of Vacaville) with approximately 2,000 inmates is one of the world's most unique prison reform systems. It was completed in 1955 at a cost of approximately \$19,000,000.

The facility is administered by the California State Department of Corrections and is both a hospital and prison employing the most modern concepts of medicine and penology.

A staff of 475 employees, of which approximately 80 per cent reside in Vacaville, operate the facility. Annual expenditures total over \$3,800,000 including a payroll of approximately \$2,680,000.

Mare Island Naval Shipyard

Mare Island Naval Shipyard, established in 1854, is one of the largest shipbuilding and ship repair plants in the country.

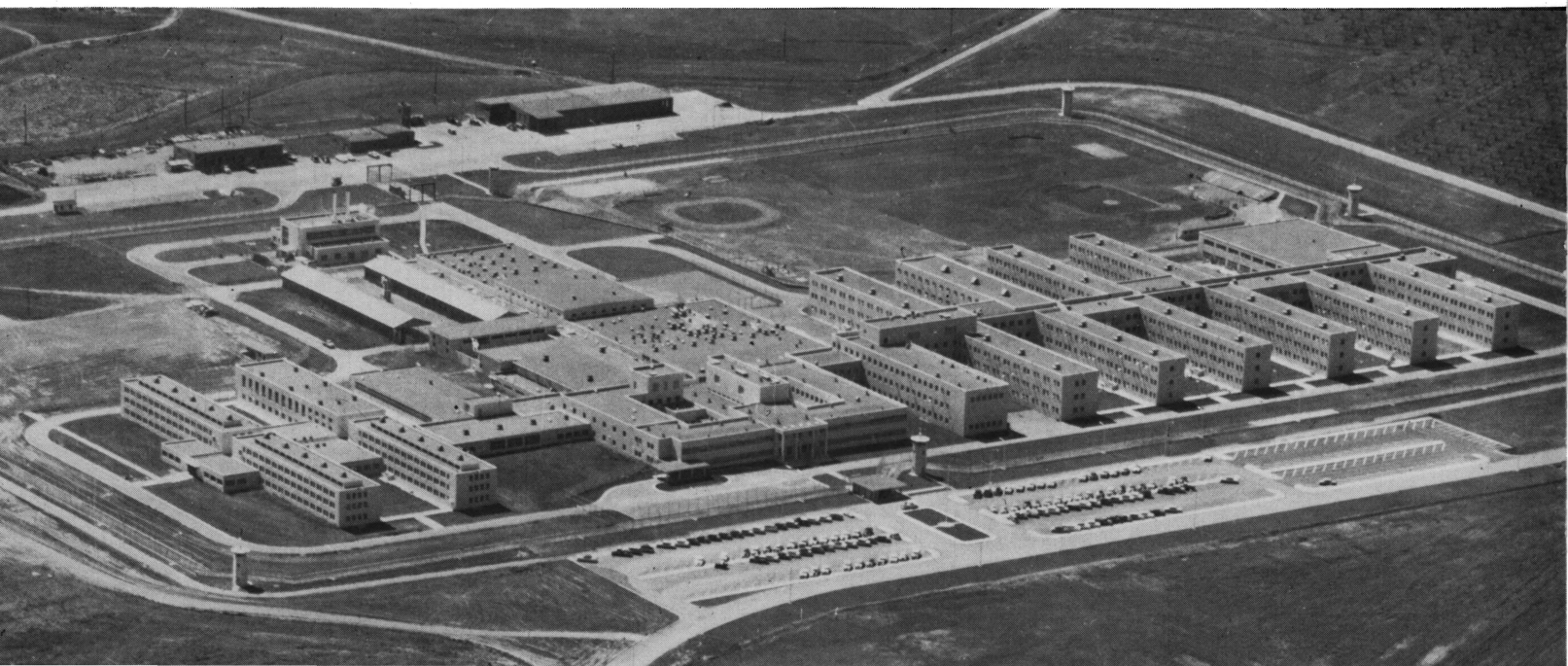
Located about 19 miles south of Vacaville, Mare Island, in addition to being one of the key bases for the Pacific Fleet, is currently the nation's leading builder of atomic-powered submarines. The yard is currently engaged in building five such ships. The first of these, the U.S.S. Sargo, was launched in October, 1957; the U.S.S. Halibut, presently under construction, is scheduled for completion in 1959.

With an investment of over \$318,000,000 in fixed properties and inventories, the base is operated by a complement of 735 permanent military personnel and 9,935 civilian personnel. Annual payrolls approximate \$60,000,000 and during the 1957/58 fiscal year approximately \$1,500,000 was spent on capital improvements.

During World War II, employment reached a peak of 40,000 and in the Korean conflict, peak employment totaled 16,000.

The California Medical Facility, 2 miles southeast of Vacaville, employs 475 persons, of which 80 % reside in Vacaville. The facility was constructed in 1955 at a cost of \$19,000,000.

PHOTO COURTESY OF VACAVILLE PLANNING COMMISSION.



Agriculture

The topography of Solano County provides a variety of soil and climatic conditions which have encouraged development of all phases of agriculture. As a result, the county has one of the greatest agricultural diversifications in the entire state. The county is among the leaders in sheep and wool production and is at the same time expanding industrially. A summary of the Solano County crop report for the past 4 years is presented below :

Year	Fruit and Nut Crops	Truck Crops	Field Crops	Animal Production	Seed Crops	Totals
1954	\$7,420,000	\$2,562,128	\$10,383,078	\$ 9,210,632	\$347,595	\$29,923,723
1955	8,380,366	3,461,625	9,554,618	8,744,905	167,898	30,309,412
1956	8,748,981	4,138,232	10,072,475	8,679,245	113,102	31,752,035
1957	6,387,105	3,165,807	11,466,770	10,245,973	214,266	31,479,921

Utilities

Vacaville is supplied with electricity and natural gas by the Pacific Gas & Electric Company. Telephone service is furnished by the Pacific Telephone and Telegraph Company. Full dial service is extended to subscribers.

The city maintains its own sewage collection and treatment facilities. The electorate recently authorized the issuance of general obligation bonds in the amount of \$990,000 for the construction of new trunk sewer and sewerage treatment facilities.

Water facilities are to be purchased from the Pacific Gas & Electric Company with the proceeds of the bond issue now being offered.

Banking

Vacaville is served by two banks, Bank of America N.T.&S.A. and the Vaca Valley Bank. Bank deposits, time and demand, in Vacaville banks at the end of the third quarter of 1958, representing some 12,000 accounts, totaled approximately \$9,700,000.

Transportation

Vacaville is located on U. S. Highway 40, a main east-west, four-lane, divided thoroughfare. Rapid transportation from Vacaville to Sacramento, Oakland, and San Francisco are provided by freeways. In the past three years, approximately \$55,000,000 has been spent to construct a new highway from Richmond to Vallejo, including the newly completed parallel \$23,000,000 Carquinez Bridge. The "Big Cut" approach to the new bridge is believed to be the largest excavation job since the construction of the Panama Canal. Construction of a third crossing of Carquinez Strait, the proposed \$27,000,000 Martinez-Benicia Bridge, is expected to start early this year (1959).

U. S. Highway 40 is a part of the Federal Inter-State System and it is reasonable to assume that within the next ten years this highway will be brought up to full freeway standards from Vallejo to Sacramento.

A recent traffic census by the California State Division of Highways indicated an average daily traffic volume of 20,000 vehicles on U. S. 40 at Vacaville.

Rail transportation is provided by the Southern Pacific Company and the Sacramento Northern. Daily truck service by common carrier is available and points 500 miles distant can be serviced by overnight truck service.

Six airfields, exclusive of Travis Air Force Base, are located in Solano County, two of which are within five miles of Vacaville. Sacramento Municipal Airport is within 40 minutes driving time and San Francisco International and Metropolitan Oakland Airports are also within easy driving distance.

Recreation

Vacaville owns a 6.2 acre lighted park providing playground and picnic areas. A year-round recreation program is conducted by the city in conjunction with the elementary and high school districts. School recreational facilities are used to augment the city's recreation program.

Nearby Monticello Dam and the adjacent waterways of the Sacramento River provide a paradise for fishermen and water sport enthusiasts. Grizzly Island, less than 45 minutes driving time from Vacaville, offers a 4,000 acre game reserve open to public shooting.

Education

Vacaville is in the Vacaville Union High School District and the Vaca Valley Union School District. Education facilities serving Vacaville students include five elementary schools with a sixth elementary school to be occupied in September of this year (1959) and one high school. All of the public school facilities have been constructed since 1950 at a cost of over \$4,500,000.

In addition to the public school facilities, plans for three parochial schools have been formulated. Enrollment statistics in the public schools for the past eight years are shown below :

	Kindergarten and Elementary	High School	Total
1950	813	316	1,129
1951	930	308	1,238
1952	1,016	294	1,310
1953	1,281	352	1,633
1954	1,420	379	1,799
1955	1,537	448	1,985
1956	1,827	528	2,355
1957	2,215	622	2,837
1958	2,467	610	3,077

Other Facilities

Eighteen churches serving a wide variety of religious faiths are located in the city and immediate areas.

Twenty-four hour ambulance service is available in the city and complete hospital facilities are located in the nearby community of Fairfield. Plans for a local hospital district are currently being formulated.

The city has a Carnegie Library which is supplemented with funds from a county and school district library tax.

The Vacaville Reporter, a weekly newspaper with a circulation of 3,500, provides news coverage of local and national interest.

Major fraternal orders, veterans' organizations, and service clubs are represented in Vacaville.

The Vacaville Area General Plan

A long-range planning study for the orderly development of the Vacaville area has recently been completed by the City of Vacaville. This study, called the "Vacaville Area General Plan" was prepared by a professional planning consultant with the cooperation and assistance of a large and active citizen participation program. The study contains a general history of the area, descriptions of the commercial, agricultural, industrial and residential factors, statements of policies and discussions of existing and proposed land use for the City of Vacaville and the surrounding area.

The General Plan has been approved and adopted by the City Council and Planning Commission of the City of Vacaville and by the Solano County Planning Commission and Board of Supervisors.

The Vacaville Area General Plan has been published in a 45-page illustrated brochure. Copies of this brochure are available by request from the City Administrator of the City of Vacaville.

Solano County

Solano County is one of the original 27 California counties created in 1850. The total area of the county is 827 square miles of which approximately 97 per cent is privately owned. Topographically, the county may be divided into two sections—the level agricultural lands of the Sacramento Valley, together with the marshes of Suisun and San Pablo Bays, and the many islands of the Sacramento River delta make up about two-thirds

of the area. The remaining third is composed of low-lying mountain ranges in the extreme western portion of the county.

Transportation facilities within the county include U. S. Highway 40 and State Highways 12 and 21, railroad facilities and waterways.

The county has a diverse economic base consisting of agricultural products, natural gas production, food processing, metal manufacturing and fabrication and several governmental installations.



The onion and garlic dehydrating and processing plant of Basic Vegetable Products, Inc. is one of the largest of its type in the country. The plant, located in Vacaville, employs from 250 to 600 persons.

PHOTO COURTESY OF VACAVILLE PLANNING COMMISSION.

